GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1198
ANSWERED ON:07.12.2015
Navaratna Status to Oil Companies
Antony Shri Anto

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the salient features of Navratna companies along with number of Navratna companies working under the Ministry of Petroleum and Natural Gas;
(b) whether the Oil Marketing companies are included as Navaratna companies status and if so, the details thereof;
(c) whether these Navaratna companies are selling their product at below the cost and if so, the details thereof and the reasons therefor; and
(d) whether the Government has given any financial assistance to these companies and if so, the details of financial assistance given to the said companies during the last three years and the current year, company-wise?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (INDEPENDENT CHARGE) (SHRI DHARMENDRA PRADHAN)

(a) As per DPE OM No. DPE/3(2)/2001-Fin dated 15th March 2002, criteria for grant of Navaratna status is as follows:
â€¢ The entity must have Miniratna Category − I status along with Schedule 'A' listing.
â€¢ At least three 'Excellent' or 'Very Good' Memorandum of Understanding (MoU) ratings during the last five years.
â€¢ And a composite score of 60 or above out of possible 100 marks in the six selected performance parameters, namely:
1. Net Profit to Net Worth,
2. Manpower cost to cost of production or services,
3. PBDIT to capital employed,
4. PBIT to Turnover,
5. Earnings per Share, and
6. Inter-Sectoral comparison based on Net profit to net worth
There are four Navaratna companies working under Ministry of Petroleum and Natural Gas viz., Bharat Petroleum Corporation Limited (BPCL), Hindustan Petroleum Corporation Limited (HPCL), Oil India Limited (OIL) and Engineers India Limited (EIL).
(b) Yes. Two Oil Marketing companies are included as Navaratna companies viz. BPCL and HPCL.
(c): Refining of crude oil is a process industry, where crude oil constitutes around 90% of the total cost. Crude oil is processed through several processing units. Each of these units produces intermediate products streams, which require further reprocessing and blending. As it is difficult to apportion the total cost amongst individual refined products, product-wise costs are not identified separately. Prices of Petrol and Diesel have been deregulated.
(d): The Government has been modulating the Retail Selling Price (RSP) of sensitive petroleum products viz., PDS Kerosene and Subsidized Domestic LPG. After launch of DBTL, its consumers get the LPG cylinders at market determined price and receive LPG subsidy directly into their bank accounts. Under the Burden Sharing Mechanism, the Government has provided cash assistance to two Navaratana Oil Companies namely, HPCL and BPCL during the last three years and current year as under:
(Rs Crore)

	HPCL	BPCL
2012-13	627.89	601.95
2013-14	1970.48	1448.47
2014-15	1053.4	1024.36
2015-16	3775.13	3631.86

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